

ARIZONA SUPREME COURT

Child Support Guidelines Review Committee
MEETING MINUTES
September 26, 2008
Supreme Court Building, Phoenix, Arizona

MEMBERS PRESENT:

Hon. Rebecca Albrecht Mr. Robert L. Barrasso Hon. Bruce R. Cohen, Chair

Ms. Helen Davis Prof. Ira Ellman Ms. Kim Gillespie Ms. Cele Hancock Mr. David Horowitz Ms. Gloria Pearson Comm. Rhonda Repp

Hon Kevin White

STAFF:

Kathy Sekardi Lorraine Nevarez

GUEST PRESENT:

Tara Ellman Theresa Barrett Cheri Clark Roger L. Hartsell Patricia Madsen

MEMBERS ABSENT:

Hon. Michala Ruechel Hon. Sarah Simmons

Call to Order

Judge Cohen, Chair, called the meeting to order at 10:10 a.m. and welcomed the members.

Approval of the Minutes

To approve the September 2, 2008 minutes.

MOTION: The September 2, 2008 minutes were approved and seconded as submitted.

New Medical Support Law Requirements

Kim Gillespie, Asst. Attorney General, explained the effects of the new medical support law. The primary changes are as follows:

- Creation of a cash medical support order.
- New definitions on when it is appropriate to order private medical insurance. A parent should be required to obtain private medical insurance when it is **accessible** to the child and **available at a reasonable cost** of no more than 5% of the obligated parent's gross income.
- Federal regulations impose requirements on states to enforce medical support and broadened the definition of medical support.
- Arizona introduced legislation in January 2008 to comply with the basic provision of the proposed federal regulation. (HB2505)

• HB 2505 requires the court to order a parent to provide insurance when it is accessible to the child and available at a reasonable cost; defines insurance as accessible when it is available in the geographic area where the child resides; defines a reasonable cost for medical insurance as not exceeding 5% of obligor's gross income or an alternative numeric standard as set by guidelines.

There still needs to be further clarification regarding OCSE's (Office of Child Support Enforcement) interpretation of its regulations. Additional changes to Arizona's law may be needed once guidance is available from OCSE. By consensus the committee believes the best approach to revise the guidelines is to deal with the medical insurance (cash medical support order) as a separate item rather than as an adjustment.

A handout of the PowerPoint presentation was provided to the members during the meeting and uploaded to the Guidelines Review Committee webpage post-meeting.

Reports from Task Groups

Judge Cohen asked the workgroups to report on their progress:

- A. Case Law/Legislative Updates/ARFLP: Task group is currently reviewing information.
- B. *Income Determination*: The task group has nothing to report at this time. The committee thought the task group could review the case *Jenkins v. Jenkins*. Judge Cohen offered a few areas that the task group could focus on:
 - 1. Simplify and clarify the income language in order to make it less ambiguous.
 - 2. Deal with non-discretionary withholdings that do not produce income.
 - 3. Consistencies regarding benefits from business/employment.
 - 4. Jenkins v. Jenkins case
- C. *IV-D:* Task member Kim Gillespie gave a presentation discussing the issues and concerns of this new medical support law. The task group will begin to develop a summary sheet that would have direct links in the worksheet to the appropriate sections in the guidelines. The task group also will develop a definition of what constitutes an IV-D case for inclusion in the guidelines.
- D. *Adjustments to Income*: The task group will be discussing the *Harrington* case and determining what applies to the guidelines. The task group is close to proposing changes which mostly include elimination of language in the guidelines.
- E. *Spreadsheet Study Task Group*: The task group met and reviewed the spreadsheet Ira and Tara Ellman have developed. The task group discussed possible enhancements to the spreadsheets based on the outputs of the different scenarios and benchmarks. The task group would also like to incorporate several other states into the spreadsheet to facilitate comparisons between the outcomes under the Arizona guidelines. The task group would like to present to the full

committee a recommendation using the spreadsheet at the next committee meeting.

Review, Discuss and Assign Website Comments

(To review the entire comments visit: http://www.supreme.state.az.us/csgrc/)
This agenda item was tabled to next committee meeting scheduled for October 24, 2008.

Discuss Other Items to Add to Agenda List

The Committee identified sections 3, 4, and 5 of the guidelines they will be discussing. The Spreadsheet the task group will also present their enhancements to the committee.

Develop October 24, 2008 Agenda

The Committee proposed the following agenda items:

- 1. Call to Order
- 2. Approve draft minutes from September 26, 2008
- 3. Discuss/review Guidelines Sections 3, 4, and 5
- 4. Review spreadsheet study task group information and create 16-cell matrix.

Call to the Public

Public did not comment.

Adjourn

The meeting was adjourned at 2:15 p.m.